

- October 15, 2008 Grant guidelines available
- December 15, 2008 Grant applications due to City office by 5 p.m.
- Jan/Feb 2009 Grant applications reviewed

- February 2009

Grant recipients announced

V. AB10-08-35 FEEDBACK ON REINT REINDERS & ASSOCIATES REPORT

Mrs. Gerhardt presented feedback from the hotels related to the Reint Reinders & Associates (RR&A) report.

- The RR&A report was sent to CTBID members on September 2 (42+ properties)
- Feedback requested by October 1
- Seven responses received
- Themes of responses received:
 - Support of CCVB
 - Lack of funding to CCVB
 - Too much money spent on studies
 - Lack of action by CTBID Board

Ms. Howard –Jones was disappointed in the lack of responses. Mr. Cima stated that he appreciated the feedback but felt it was a light response. Mr. Cima encouraged the Board to move forward and to consider the comments made when making its decision.

VI. AB10-08-36 AB10-08-36 REINT REINDERS & ASSOCIATES REPORT

Reint Reinders of Reint Reinders & Associates (RR&A) presented their report on how they think the CTBID Board should proceed with the current funding levels. (The PowerPoint slide presentation is attached to these minutes.)

The following is a summary of RR&A's recommendations:

- The CTBID should devote \$350,000 to a focused marketing campaign, over and above the \$450,000 that is currently devoted to the CCVB programs.
- The CTBID should focus on the family and leisure market.
- The campaign should target southern California, Arizona and Las Vegas markets.
- The CTBID should include CCVB in the development and delivery of the marketing program. This work should have oversight from Reint Reinders and Associates.
- Reint Reinders and Associates will return in November with a detailed marketing plan that will be developed by RR&A, a marketing company, and a committee of marketing experts from the hotel industry in

Carlsbad, including CCVB. In addition, an estimated return on investment will be presented and an outline of the 2009-10 budget. RR&A requested that the Board authorize them to spend up to \$10,000 of the \$350,000 for services to be provided by Mindgruve (<http://www.mindgruve.com/>) in developing the marketing and branding plan.

The board discussed the plan and received public input from:

- Nancy Nayudu supported the inclusion of the CCVB in the marketing plan. She also questioned the need to develop a new marketing plan since one was developed by CCVB some time ago.
- Rick Smock - does not feel that the CTBID needs any advice from RR&A, Kurt Burkhardt does a fine job, and we don't need to duplicate work already done by CCVB.
- Norine Sigafoose - is very angry and disappointed with the CTBID Board, questioned the hiring of RR&A without a search or RFP process, suggested that RR&A is not needed, suggested that RR&A is making recommendations that will result in RR&A making additional money from the CTBID, said that the CCVB should have gotten all of the CTBID money, that the CCVB and Kurt Burkhardt should have been hired by the CTBID at the start, and that the CCVB Board should have been the CTBID Board.
- Randy Chapin - Was pleased to see CCVB and the CTBID beginning to come together. Supported moving forward with the plan as proposed, and has no issues with RR&A or their work.

Mr. Canepa made a motion, seconded by Mr. Stripe, to authorize RR&A to develop the detailed marketing plan, to work with an ad hoc advisory committee made up of the key marketing people from the hotels in Carlsbad and Legoland, and to return with the plan by late November 2008. The Board also authorized the use of up to \$10,000 in funds, if necessary, to compensate the marketing company, Mindgruve, for its work on developing the detailed marketing plan. Motion carried unanimously.

VII. DISCUSSION ITEMS

None.

VIII. NEXT MEETING

The next regular meeting is on Monday November 24, 2008, from 3:00 p.m. to 5:00 p.m. at 1635 Faraday Avenue, Room 173A.

Agenda items to include:

1. RR&A report and marketing plan.

GENERAL COUNSEL COMMENT

None

NON-AGENDA PUBLIC COMMENT

None

ADJOURNMENT

Chair Shute adjourned the meeting at 4:05 p.m.

Respectfully submitted,

Cheryl Gerhardt
Recording Secretary

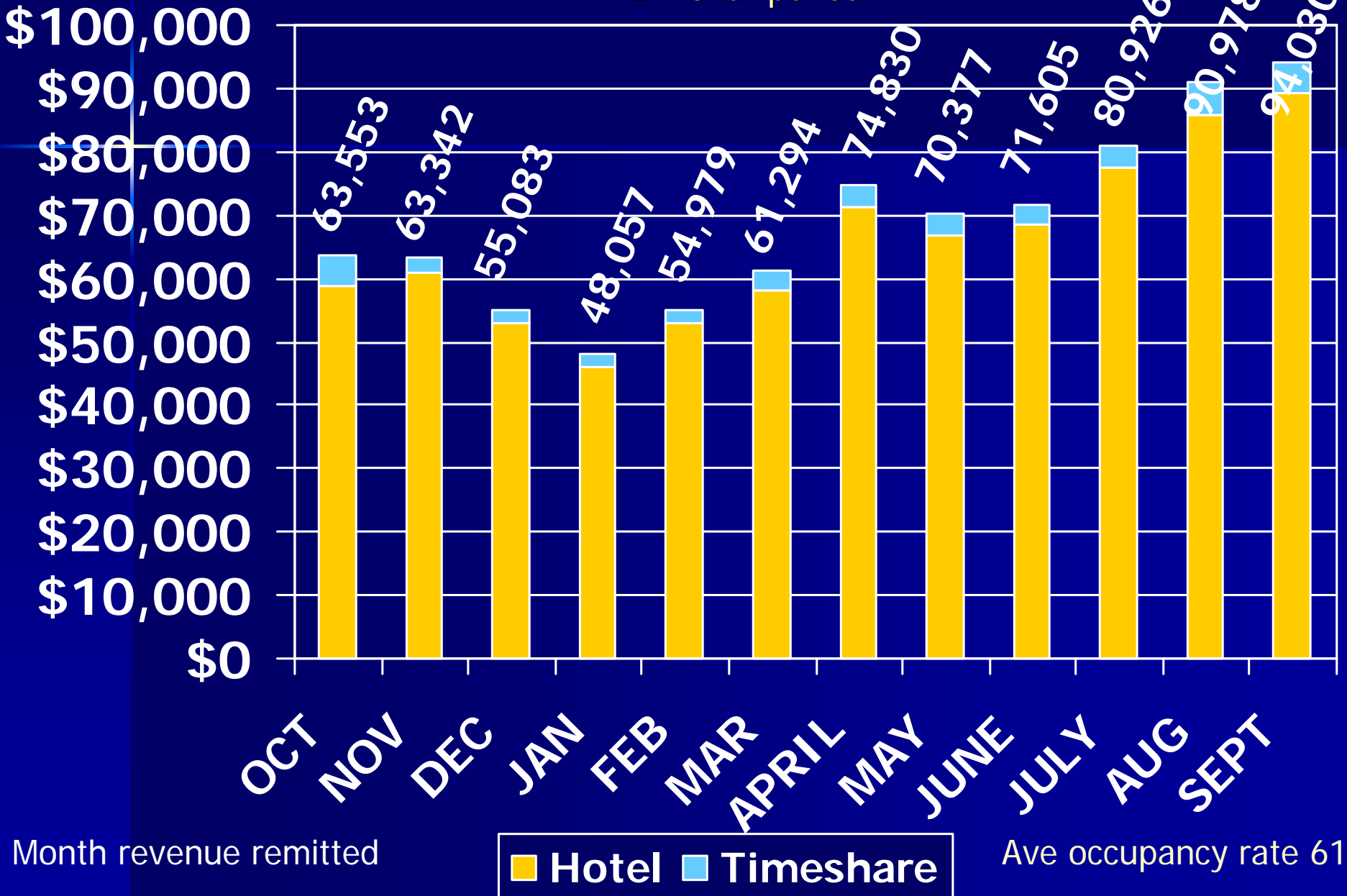
Carlsbad Tourism Business Improvement District

Financial Update

September 30, 2008

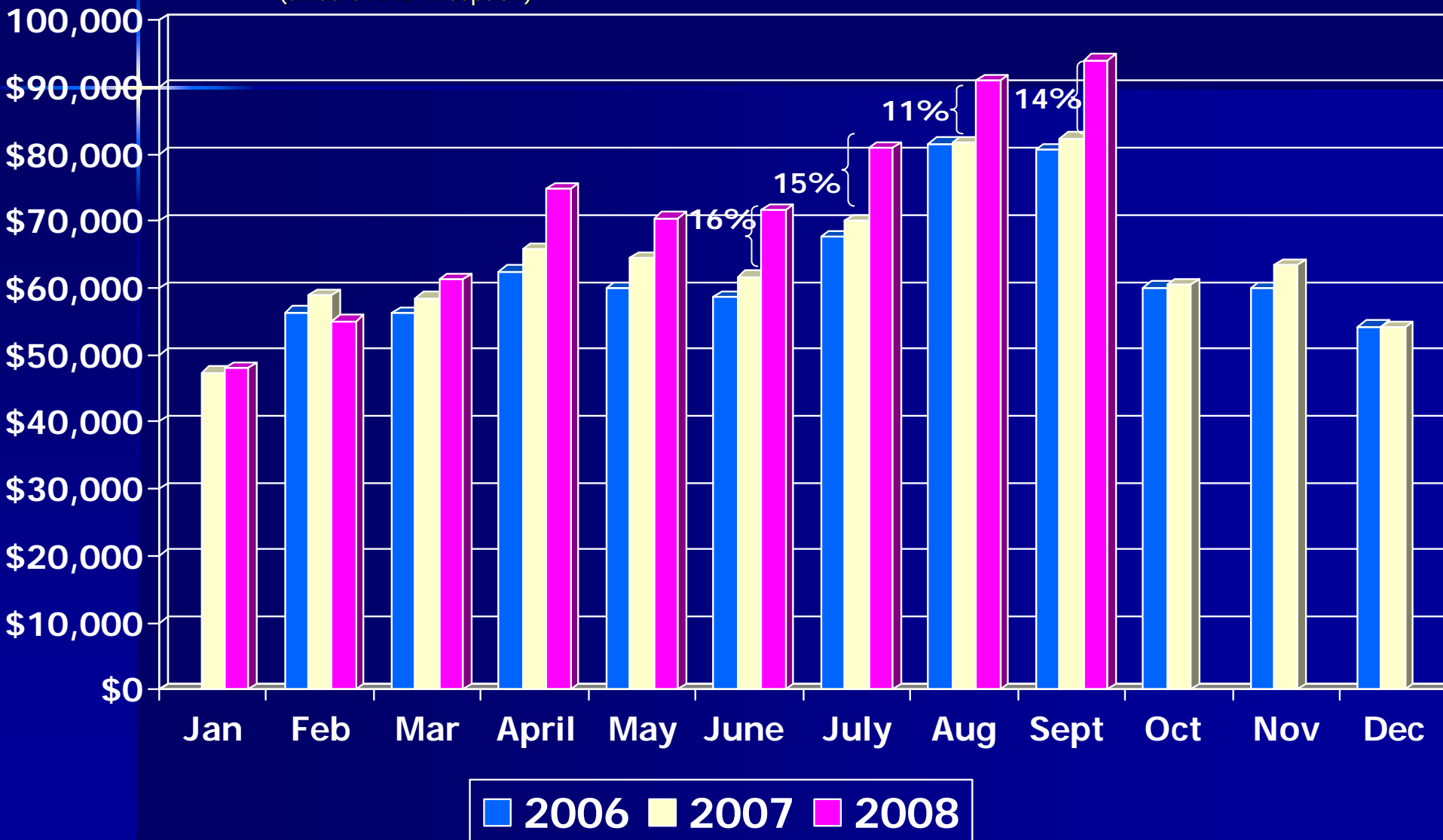
CTBID Assessment Revenue

12 month period



CTBID Assessment Revenue

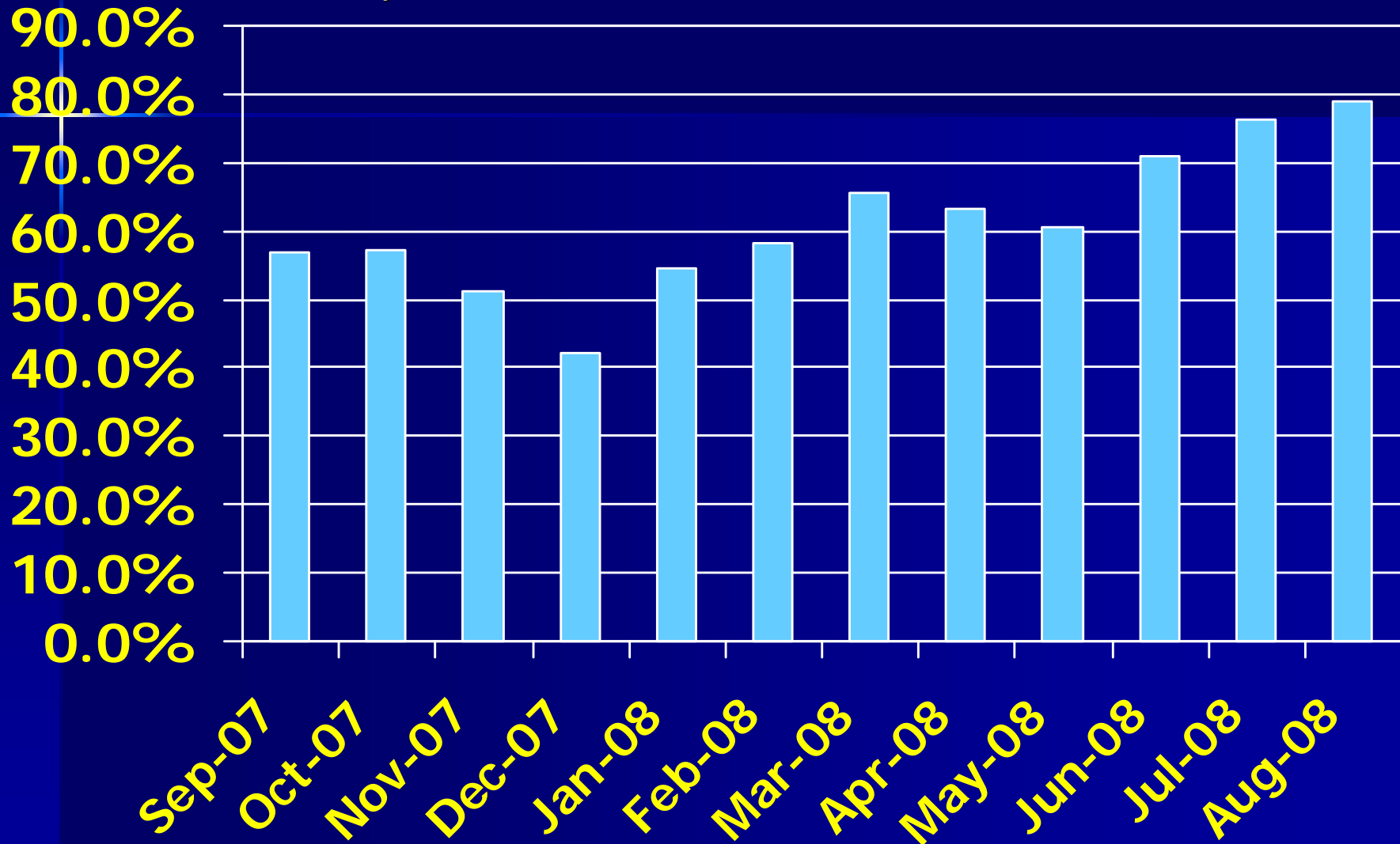
32 month period
(since CTBID Inception)



Month revenue remitted

Monthly Occupancy rate*

12 month period



Month of hotel stay

*Does not include comp rooms

Ave occupancy rate 61%

2008-09 Budget to Actual

Program Areas	Budget	Actual 30-Sept-08	Difference
<u>Revenues:</u>			
CTBID Assessment	775,000	262,227	-512,774
Interest Earnings	10,000	1,398	-8,602
Total Estimated Revenues	785,000	263,625	-521,375
<u>Expenditures:</u>			
2% Administrative Fee - City	16,500	5,137	-11,363
CCVB Contract	448,000	112,200	-335,800
SDNCVB Contract	110,000	27,500	-82,500
Staff support	16,500	5,787	-10,713
CTBID Grants	40,000	17,000*	-23,000
RR&A Contract Phase I	20,000	20,000	0
RR&A Contract Phase II	30,000	0	-30,000
Contingency	220,000	0	-220,000
Total Expenses	901,000	187,624	-713,376

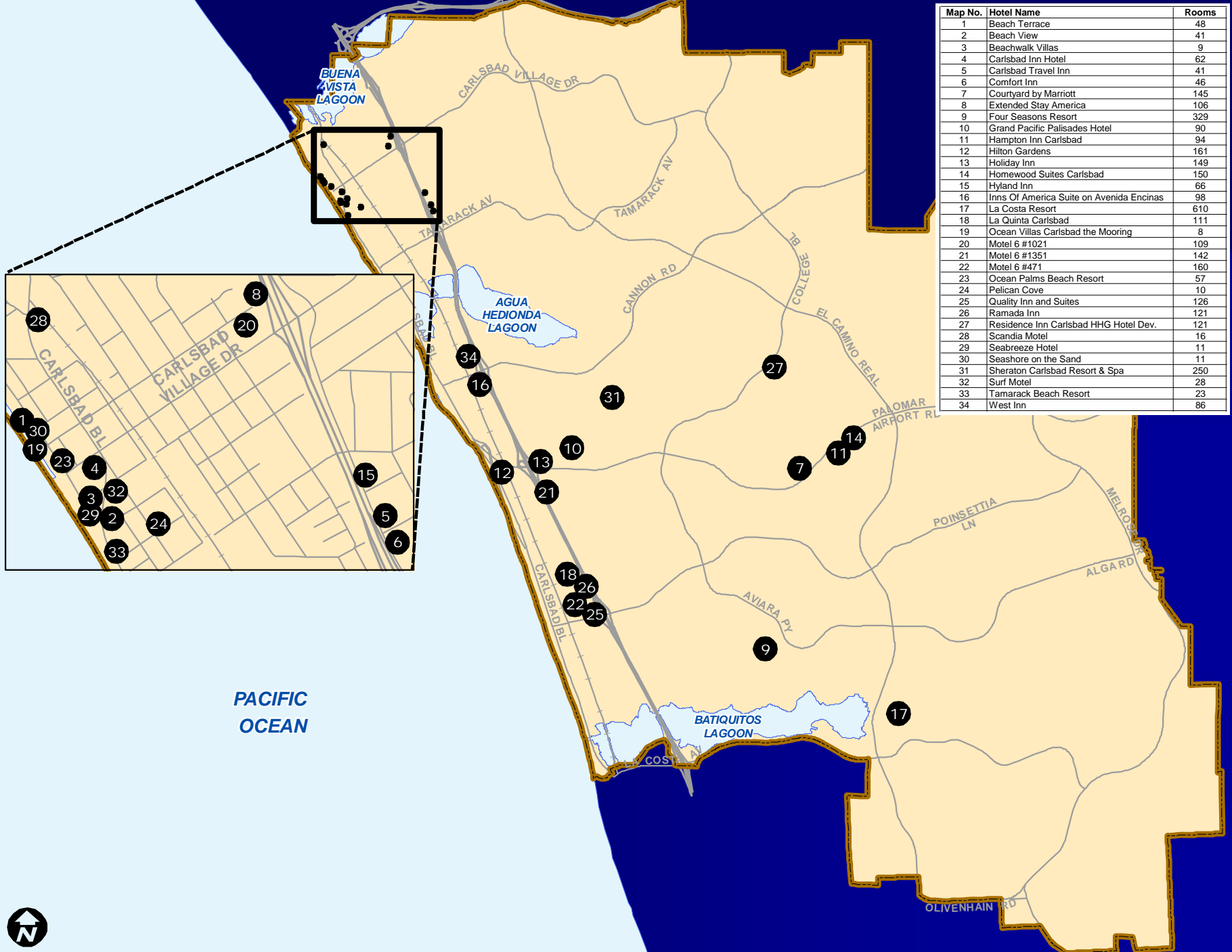
* Encumbered

FYTD 2007 vs 2008

Program Areas	Actual 30-Sep-07	Actual 30-Sep-08	\$ Difference	% Difference
<u>Revenues:</u>				
CTBID Assessment	229,116	262,227	33,111	14.5
Interest Earnings	4,721	1,398	- 3,323	-70.4
Total Estimated Revenues	233,837	263,625	29,787	12.7
<u>Expenditures:</u>				
2% Admin. Fee - City	4,921	5,137	215	4.4
CCVB Contract	112,200	112,200	0	0
SDNCVB Contract	27,500	27,500	0	0
Staff support	1,514	5,787	4,273	282.2
Positioning Study	34,000	0	-34,000	-100.0
CTBID Grants	0	17,000	17,000	100.0
RR&A Contracts	0	20,000	20,000	100.0
Total Expenses	180,135	135,335	7,488	4.2

Financial Highlights

- Jan-July CTBID rev is up 10% over prior year
- Room count has increased 12% over last 8 mo
- Ave Occupancy rate last 12 months =61%
- Current year contingency \$220,000
- Unbudgeted reserves \$390,000
- Total number of hotel rooms 3,635



Map No.	Hotel Name	Rooms
1	Beach Terrace	48
2	Beach View	41
3	Beachwalk Villas	9
4	Carlsbad Inn Hotel	62
5	Carlsbad Travel Inn	41
6	Comfort Inn	46
7	Courtyard by Marriott	145
8	Extended Stay America	106
9	Four Seasons Resort	329
10	Grand Pacific Palisades Hotel	90
11	Hampton Inn Carlsbad	94
12	Hilton Gardens	161
13	Holiday Inn	149
14	Homewood Suites Carlsbad	150
15	Hyland Inn	66
16	Inns Of America Suite on Avenida Encinas	98
17	La Costa Resort	610
18	La Quinta Carlsbad	111
19	Ocean Villas Carlsbad the Mooring	8
20	Motel 6 #1021	109
21	Motel 6 #1351	142
22	Motel 6 #471	160
23	Ocean Palms Beach Resort	57
24	Pelican Cove	10
25	Quality Inn and Suites	126
26	Ramada Inn	121
27	Residence Inn Carlsbad HHG Hotel Dev.	121
28	Scandia Motel	16
29	Seabreeze Hotel	11
30	Seashore on the Sand	11
31	Sheraton Carlsbad Resort & Spa	250
32	Surf Motel	28
33	Tamarack Beach Resort	23
34	West Inn	86

Grant Funding Available

- Amount appropriated for 2008/09 \$40,000
- Grants Awarded in 2008/09:
 - ArtSplash \$ 7,000
 - Carlsbad Marathon \$10,000
- Remaining Balance \$23,000

CTBID Grant Program

Grant Application Timetable

- | | |
|---------------------|---|
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RR&A Report Feedback

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- Feedback requested by October 1
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 - Support of CCVB
 - Lack of funding to CCVB
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RR&A Recommends

CTBID Board 90-Day Project

Carlsbad, CA

October 14, 2008

RR&A Recommends

- ☐ ***'08/'09 FY CTBID funds available:***
 - ☐ ***\$220,000 contingency***
 - ☐ ***\$390,000 in reserves***
- ☐ ***RR&A recommends:***
 - ☐ ***\$160,000 in reserves***
 - ☐ ***\$100,000 for contingency***
- ☐ ***RR&A recommends immediate funding of \$350,000 to be directed toward a new, leisure-targeted marketing campaign***

RR&A Recommends

Key elements of the plan

- ❑ Note: San Diego named the #2 “family vacation destination” in USA for 2008 (Travel + Leisure Magazine)***
- ❑ Opportunity for Carlsbad: to be positioned as the “preferred” or the “home” for family vacations within S.D.***
- ❑ Short term goal: spend the funds on marketing to help put leisure “heads in beds” in 2009***
- ❑ Long term goal: positioning of Carlsbad as a highly desirable “family vacation” destination***
- ❑ Target audiences: West Coast, L.A. County, O.C., Inland Empire, Las Vegas & AZ - - all prime feeder markets***
- ❑ Budget: \$350,000***

RR&A Recommends

Key elements of the plan - continued

☐ Media

- ☐ Print: very selected***
- ☐ Electronic: multiple Internet channels and Blogs, social media networks and tourism and travel writers***
- ☐ Supplemented by a simultaneous very selected e-mail Blast campaign to penetrate the same feeder markets***
- ☐ Plan element detail - - presented @ Nov. '08 CTBID Bd. mtg.***
- ☐ Launch: 1st quarter of 2009***

RR&A Recommends

Plan overview

- ❑ \$350,000 covers all media & production costs; RR&A fees not included***
- ❑ Plan will focus on driving leisure traffic, to be converted into room nights***
- ❑ Inquiry, demand to come directly to CCVB's site with linkage to all hotels***
- ❑ Dollars go direct to CCVB with RR&A to have oversight responsibilities on behalf of the CTBID Board***
- ❑ CCVB to form a marketing advisory committee of Carlsbad hoteliers to assist in the full development of the plan***
- ❑ A professional agency will be engaged to produce creative, content, media selection and timeline***
- ❑ Work with a fully integrated agency to develop microsites of the Carlsbad family vacation packages to include Legoland and many - - if not all - - Carlsbad lodging properties***

RR&A Recommends

Plan overview continued

- ❑ Plan's package would provide Carlsbad with "tiered" (small, limited service, middle-tier, luxury) opportunities and various price points***
- ❑ Media scheduled plan to be supplemented by a simultaneous very targeted e-mail Blast campaign to penetrate the same feeder markets***
- ❑ The (next) November CTBID Board meeting:***
 - ❑ RR&A will present details of the plan along with***
 - ❑ RR&A will present estimated R.O.I. for the recommended campaign***
 - ❑ RR&A will present outline for FY '09-'10 budget***

RR&A Recommends

Action for CTBID Board to take today:

- ☐ **Approve RR&A's recommended plan for a new leisure targeted marketing campaign designed to drive new leisure room nights for Carlsbad in 2009**
- ☐ **Direct RR&A to present a detailed work plan for final review**
- ☐ **Deploy \$350,000 in CTBID funds to CCVB with oversight by RR&A on behalf of the CTBID Board**